

NATIONAL DAIRY MARKET AT A GLANCE

CHICAGO MERCANTILE EXCHANGE (CME) CASH MARKETS (12/1):
BUTTER: Grade AA closed at \$1.8525. The weekly average for Grade AA is \$1.8325 (+.0375).

CHEESE: Barrels closed at \$1.0900 and blocks at \$1.1175. The weekly average for barrels is \$1.0710 (+.0193) and blocks, \$1.0985 (+.0152).

NONFAT DRY MILK: Extra Grade and Grade A closed at \$1.0300. The weekly average for Extra Grade is \$1.0300 (N.C.) and Grade A, \$1.0300 (N.C.).

BUTTER: The market tone remains firm. Contrary to what many had expected, the butter price at the CME jumped more than five cents this week. With milk and cream supplies so tight east of the Rockies, churning activity continues well below seasonal levels. Also, recent cold storage reports indicate inventory levels to be below year ago levels. Fresh butter stocks remain tight and little extra was made over the Thanksgiving weekend. Demand for butter is about steady, but retailers are assessing their stocks before reordering for the year end holidays. Retail features were prevalent for Thanksgiving, but there is some question whether or not they will be as widespread for Christmas/New Years holidays.

CHEESE: The cheese market is firmer following the holiday weekend. Cash cheese prices at the Chicago Mercantile Exchange moved to within a fraction of the CCC purchase price. Current natural interest is seasonally strong as buyers restock for the year end holidays. Also, current cheese supplies are tighter due to the recent seasonal low in milk production and the higher returns for milk used for products other than cheese. Medium and aged cheddar are moving, but the larger inventories are reducing the profit margin for many sellers. During the period of November 22 - December 1, CCC purchased 2,512,821 pounds of Western barrel cheese, 50,885 pounds of Western blocks, 920,450 pounds of Midwest blocks, and 39,600 pounds of Eastern process. This is the first price support purchase of cheese from the East since 1993.

FLUID MILK: Milk production is at or near the low point in the annual cycle in the northern tier of states while increasing in the southern parts of the country. Fluid milk supplies are tight east of the Mississippi and about steady in the West. Thanksgiving weekend provided some extra milk to manufacturing plants, but it was easily cleared. Milk shipments into the Southeast have slowed dramatically and may have stopped for this shipping season. Bottled milk sales hardly missed a beat over the holiday weekend. There was a little down time, but most bottlers were back on line Friday or Saturday. Condensed skim sales are very good to excellent and many suppliers are having difficulty meeting commitments. The fluid cream market remains firm. Supplies are tight and demand good despite the current, high prices.

DRY PRODUCTS: There is growing concern among plant managers about the spiraling costs of natural gas. Reports indicate that December's costs are at least double last December and further increases are predicted for the first

quarter of 2001. In the Eastern portion of the country, the NDM market is firm and stocks are tight. In the West, stocks are heavy and clearances to CCC continue. Production levels are light in the East where surplus milk volumes are tight while moderate to heavy in the Western region. Demand is steady. The dry whey market is firming and prices are advancing at a more rapid pace, particularly in the Central and Eastern regions. Demand is steady and stocks are often short of needs. The WPC and lactose market are little changed and prices are steady.

CCC: During the period of November 22 - December 1, CCC net purchases totaled 11,131,904 pounds of nonfortified NDM and 1,624,240 pounds of fortified from the West. CCC also purchased 971,335 pounds of blocks from the West and Midwest; 2,512,821 pounds of barrel cheese, from the West; and 39,600 pounds of process cheese from the East. This is the first Eastern cheese offering to CCC since 1993.

NOTE: On November 22, President Clinton signed bill S.2773 which became Public Law 106-532. It is the Dairy Market Enhancement Act of 2000. It amends the Agricultural Marketing Act of 1946 to direct the Secretary of Agriculture to establish a program of mandatory dairy product information reporting, which will be implemented by the NASS.

CLASS AND COMPONENT PRICES (DAIRY PROGRAMS): The following are the November 2000 prices under the Federal Milk Order pricing system: Class II \$13.68 (up \$1.14), Class III \$8.57 (down \$1.45); and Class IV \$13.00 (up \$1.19). Product price averages used in computing Class prices are: butter \$1.4051, NDM \$1.0159, cheese \$1.0245, and dry whey \$0.1917. The Class II butterfat price is \$1.5815 and the Class III/IV butterfat price is \$1.5745. Further information may be found at:

www.ams.usda.gov/dairy/fmor_announce.htm

USDA ANNOUNCES TENTATIVE FINAL DECISION (DAIRY PROGRAMS): On December 1, the USDA announced a tentative final decision to amend the current Class III and Class IV pricing formulas under Federal milk orders. The decision provides for separate butterfat prices for milk used in Class III (cheese) and Class IV (butter and dry milk products) based on the value of butterfat in cheese and butter. The manufacturing (make) allowances for cheese, dry whey, butter, and NDM are being adjusted slightly. Interested persons have until Feb. 5, 2001, to file comments in response to the tentative decision. More detailed information may be found at: www.ams.usda.gov/dairy/hearing-III_IV.htm

JUNE MAILBOX MILK PRICES (DAIRY PROGRAMS): In June 2000, mailbox milk prices reported for selected Federal milk orders averaged \$12.01 per cwt., \$0.17 more than the figure for the previous month. Compared to June 1999, mailbox milk prices, on average, decreased \$0.64.

****SPECIALS THIS ISSUE****

NOVEMBER MONTHLY AVERAGES AND SUMMARY (PAGES 7-9)

NOVEMBER DEIP PURCHASES (PAGE 10)

JUNE MAILBOX MILK PRICES (PAGE 11)

OCTOBER CONSUMER PRICE INDEX (PAGE 12)

JULY-SEPTEMBER COMMERCIAL DISAPPEARANCE (PAGE 12)

DAIRY SITUATION AND OUTLOOK (PAGE 13)

GRAPHS (PAGE 14)

**CHICAGO MERCANTILE EXCHANGE
CASH TRADING**

CHEESE: carload = 40,000-44,000 lbs., NONFAT DRY MILK: carlot = 42,000-45,000 lbs., BUTTER: carlot = 40,000-43,000 lbs.

PRODUCT	MONDAY NOVEMBER 27	TUESDAY NOVEMBER 28	WEDNESDAY NOVEMBER 29	THURSDAY NOVEMBER 30	FRIDAY DECEMBER 1	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE BARRELS	\$1.0500 (N.C.)	\$1.0550 (+.0050)	\$1.0700 (+.0150)	\$1.0900 (+.0200)	\$1.0900 (N.C.)	+.0400	\$1.0710 (+.0193)
40# BLOCKS	\$1.0700 (N.C.)	\$1.0900 (+.0200)	\$1.0950 (+.0050)	\$1.1200 (+.0250)	\$1.1175 (-.0025)	+.0475	\$1.0985 (+.0152)
NONFAT DRY MILK EXTRA GRADE	\$1.0300 (N.C.)	\$1.0300 (N.C.)	\$1.0300 (N.C.)	\$1.0300 (N.C.)	\$1.0300 (N.C.)	N.C.	\$1.0300 (N.C.)
GRADE A	\$1.0300 (N.C.)	\$1.0300 (N.C.)	\$1.0300 (N.C.)	\$1.0300 (N.C.)	\$1.0300 (N.C.)	N.C.	\$1.0300 (N.C.)
BUTTER GRADE AA	\$1.7950 (N.C.)	-----	\$1.8500 (+.0550)	-----	\$1.8525 (+.0025)	+.0575	\$1.8325 (+.0375)

*Sum of daily changes. # Weekly averages are simple averages of the daily closing prices for the calendar week. Computed by Dairy Market News for informational purposes. This data is available on the Internet at WWW.AMS.USDA.GOV/MARKETNEWS.HTM

CHICAGO MERCANTILE EXCHANGE

MONDAY, NOVEMBER 27, 2000

CHEESE -- SALES: 7 CARS 40# BLOCKS: 1 @ \$1.0825, 2 @ \$1.0700, 1 @ 1.0725, 1 @ \$1.0700, 1 @ \$1.0725, 1 @ \$1.0700; BIDS UNFILLED: 1 CAR 40# BLOCKS @ \$1.0700; OFFERS UNCOVERED: 1 CAR 40# BLOCKS @ \$1.0800
 NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE
 BUTTER -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

TUESDAY, NOVEMBER 28, 2000

CHEESE -- SALES: NONE; BIDS UNFILLED: 1 CAR BARRELS @ \$1.0550; 2 CARS 40# BLOCKS: 1 @ \$1.0900, 1 @ \$1.0700; OFFERS UNCOVERED: 1 CAR 40# BLOCKS @ \$1.1100
 NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

WEDNESDAY, NOVEMBER 29, 2000

CHEESE -- SALES: NONE; BIDS UNFILLED: 2 CARS BARRELS: 1 @ \$1.0700, 1 @ \$1.0650; 1 CAR 40# BLOCKS @ \$1.0950; OFFERS UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE
 BUTTER -- SALES: NONE; BIDS UNFILLED: 5 CARS GRADE AA: 1 @ \$1.8500, 1 @ \$1.8000, 2 @ \$1.7950, 1 @ \$1.7500; OFFERS UNCOVERED: NONE

THURSDAY, NOVEMBER 30, 2000

CHEESE -- SALES: 2 CARS BARRELS: 1 @ \$1.1200, 1 @ \$1.1150; 2 CARS 40# BLOCKS: 1 @ \$1.1250, 1 @ \$1.1200; BIDS UNFILLED: 2 CARS 40# BLOCKS: 1 @ \$1.1050, 1 @ \$1.1000; OFFERS UNCOVERED: 1 CAR BARRELS @ \$1.0900; 1 CAR 40# BLOCKS @ \$1.1275
 NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

FRIDAY, DECEMBER 1, 2000

CHEESE -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: 1 CAR BARRELS @ \$1.1000; 1 CAR 40# BLOCKS @ \$1.1175
 NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE
 BUTTER -- SALES: 2 CARS GRADE AA @ \$1.8525; BIDS UNFILLED: 3 CARS GRADE AA: 1 @ \$1.8500, 1 @ \$1.5000, 1 @ \$1.2600; OFFERS UNCOVERED: NONE

BUTTER MARKETS**NORTHEAST**

The market tone remains firm. The bulk butter price at the CME, has held at \$1.7950 since the trading of November 10. In Monday's (11/27) CME trading there were no sales, offers, or bids. What significance this lack of trading activity holds is unclear, but this was the only trading session during 2000 in which this has happened. Churning activity is light to moderate after a slight increase during the Thanksgiving weekend. Any extra loads did clear easily and, as of Monday, cream supplies are again tight. Fresh butter stocks remain tight and demand is about steady as retailers assess their stocks before ordering for the year end holidays. Food service orders are improved now that the Christmas shopping season is underway. Retail sales are just fair as many retail features have ended. Sales of bulk butter, f.o.b. East, are reported in a range of 2.5 - 6 cents over the CME price/average.

CENTRAL

Prices are mostly steady, but the market tone is more unsettled. Some contacts were speculating when the trading price at the CME will start down only to be surprised by Wednesday's price jump. Churning activity during the Thanksgiving weekend was lighter than expected as cream supplies remain tight. Supplies of fresh butter are light and frozen inventories have fallen quite a bit during October and early November. This is a typical pattern for this time of year. Demand from

retailers is about steady as they assess their inventories before ordering for the year-end holidays. Numerous retail features are or have been in effect throughout the Midwest at prices well below the current CME bulk butter price. Demand for bulk butter is holding up quite well. When available, bulk butter is selling in the range of 3 - 5 cents a pound above various pricing bases.

WEST

Retail stores are assessing butter movement related to the recent holiday before reordering. Initial estimates are that sales were very good. Indications are that sales for the end of the year holiday period should also be very good. One concern is that most stores will not be featuring butter for the end of the year because of the higher CME pricing. Offerings of cream are relatively light for this time of year. All types of users are looking for more cream even at the current, relatively high prices. Contacts are wondering if the normal slow down will impact butter prices in the next few weeks. CME weekly butter stocks continue to decline and now stand at levels below both last year and 1998. The weekly stock figure is now 12.1 million pounds. Stocks have declined on average almost 4 million pounds per week since the peak was reached in June at 103.8 million pounds. Current prices for bulk butter nominally range from 2 cents under to flat market based on the CME with various time frames and averages involved.

NASS DAIRY PRODUCT PRICES
U.S. AVERAGE AND TOTAL POUNDS

<u>WEEK ENDING</u>	CHEESE	BARRELS	NDM	BUTTER	DRY WHEY
	40# BLOCKS	39% MOISTURE			
NOVEMBER 25	1.0359 4,741,839	1.0020 5,610,850	1.0161 10,381,749	1.7216 3,253,100	0.1987 4,290,867

Further data and revisions may be found on the internet at: <http://jan.mannlib.cornell.edu/reports/nassr/price/dairy>
 Week ending November 18th data was not available for last week's published report. The initial and revised data can be found at the above internet address.

CHEESE MARKETS

NORTHEAST

Prices are mostly higher on process, lower on natural cheddar items, and unchanged on Swiss. The market tone is steady. Production levels are still light, but a little more milk was available over the Thanksgiving period. Stocks of cheese are quite well balanced for Eastern cheddar and any needs are easily filled. Any additional demand is easily filled with cheese from other regions. Mozzarella sales are holding up nicely. Process sales are also quite good, but some Eastern-made process was offered to CCC early this week. This is the first cheese offering to CCC from an Eastern producer in recent memory (at least three years). Retail demand is just fair. Food service orders are seasonally good. Fast food outlets and other restaurants expect heavy traffic during the Christmas shopping season.

WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Cheddar 10# Prints	:	1.1250-1.5925
Cheddar Single Daisies	:	1.0825-1.5425
Cheddar 40# Block	:	1.2250-1.4025
Process 5# Loaf	:	1.2650-1.4350
Process 5# Sliced	:	1.2850-1.5375
Muenster	:	1.2850-1.4925
Grade A Swiss Cuts 10 - 14#	:	2.3500-2.5500

MIDWEST

The cheese market is firm, though with a cautious undertone. Cash prices have rebounded early this week on the Chicago Mercantile Exchange cash market, toward the CCC purchase prices of \$1.1220 for blocks and \$1.0920 for barrels. Cheese demand has improved, especially for current varieties, as buyers refill the pipelines for the end of the year holidays. Some variation continues in the starting point used to set current plant prices. Cutters remain seasonally active and at least a few inquiries for custom orders are being passed on. Processors continue to fill in line time with production for CCC sales. Aged cheddar is moving, but buyers are particular about the producing plant and the profit margin is typically well below recent years. Mozzarella remains tight. Midwestern cheese continues to clear to CCC under the price support program. The anticipated low (under \$9.00) Class III (cheese) milk price is an inducement for some plant operators to sell extra fluid rather than make cheese without an order. Other plant operators are finding spot milk supplies difficult to acquire.

WISCONSIN WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Process American 5# Loaf	:	1.2525-1.5000
Brick And/Or Muenster 5#	:	1.4700-1.6775
Cheddar 40# Block	:	1.4700-2.1150
Monterey Jack 10#	:	1.6700-2.1150
Blue 5#	:	1.8225-2.0900
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.5000-2.2150
Grade A Swiss Cuts 6 - 9#	:	2.0950-2.6850

MIDWEST COMMODITY CHEDDAR

Dollars per pound, standard moisture basis (37.8-39.0%),
carlot/trucklot, F.O.B. plants or storage centers.

CHEDDAR STYLES	:	NOVEMBER 27 - DECEMBER 1, 2000
BARRELS*	:	\$1.0500 - 1.0700 (NOMINAL)
	:	(\$.0150) (-.0050)
40# BLOCKS	:	\$1.0700 - 1.1325 (NOMINAL)
	:	(-.0300) (-.0200)
() Change from previous week. * If steel, barrel returned.		

WEST

The market seems to be having a hard time making up its mind which direction is the correct one for these market signals. Process cheese prices are higher this week while natural prices are lower. Blocks, barrels, and process cheese are all moving in small volumes to the dairy price support program at this time. This includes some process from the East coast. Buyers are having a tough time reading market signals and are making purchases on an as needed basis. They don't see much logic for doing anything else in the short run. Some contacts are somewhat surprised that demand for aged cheese is not more aggressive. The general reason given is that many more plants than normal have cheese put away because of the ongoing low cheese prices and some of this is coming out as aged cheese now. Swiss sales are rated as good. Mozzarella continues to be in short supply with buyers having to wait in line for additional loads.

WHOLESALE SELLING PRICES: DELIVERED, DOLLARS PER POUND
(1000 - 5000 POUNDS MIXED LOTS)

Process 5# Loaf	:	1.2025-1.4625
Cheddar 40# Block	:	1.2100-1.3500
Cheddar 10# Cuts	:	1.3900-1.6100
Monterey Jack 10#	:	1.4000-1.5600
Grade A Swiss Cuts 6 - 9#	:	2.3000-2.5400

FOREIGN

Prices for domestic styles are generally lower. The market tone is improving along seasonal patterns. In Europe, reports indicate that cheese prices continue to inch higher. This is often a result of lighter production and seasonally improved demand. U.S. importers are, for the most part, not placing many new orders as they wait to work with their 2001 licenses. Arrivals do continue and stocks of most cheese types are adequate for most needs. Demand is improving along typical patterns.

WHOLESALE SELLING PRICES: FOB DISTRIBUTORS DOCK
DOLLARS PER POUND (1000 - 5000 POUNDS, MIXED LOTS)

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Roquefort	: TFEWR	: -0-
Blue	: 2.6400-3.1400	: 1.4275-2.9225*
Gorgonzola	: 3.2400-5.9400	: 1.9775-2.4900*
Parmesan (Italy)	: TFEWR	: 2.8425-2.8675*
Romano (Italy)	: 2.1000-2.5400	: -0-
Provolone (Italy)	: 3.4400-5.5000	: 1.4350-1.7125*
Romano (Cows Milk)	: -0-	: 2.6175-4.7925*
Sardo Romano (Argentine)	: 2.6500-3.2900	: -0-
Reggianito (Argentine)	: 2.6500-3.2900	: -0-
Jarlsberg-(Brand)	: 2.7400-3.3100	: -0-
Swiss Cuts Switzerland	: -0-	: 2.3500-2.5500
Swiss Cuts Finnish	: 2.5900-2.8500	: -0-
Swiss Cuts Austrian	: 2.2500-2.7500	: -0-
Edam	:	:
2 Pound	: TFEWR	: -0-
4 Pound	: 2.1900-3.0900	: -0-
Gouda, Large	: 2.3900-3.1500	: -0-
Gouda, Baby (\$/Dozen)	:	:
10 Ounce	: 27.8000-31.7000	: -0-
* = Price change.		

WEEKLY COLD STORAGE HOLDINGS-SELECTED STORAGE CENTERS
IN THOUSAND POUNDS - INCLUDING GOVERNMENT STOCKS

BUTTER : CHEESE

11/27/00	7,806	: 130,009
11/01/00	14,196	: 134,459
CHANGE	-6,390	: -4,450
% CHANGE	-45	: -3

FLUID MILK AND CREAM

E A S T

Milk production is steady to lighter in the Northeast while steady to heavier in the Middle Atlantic and the Southeast. Anecdotal information from New England indicates that for the first time in many years, monthly milk receipts are lower than the year-earlier figure. November data are not complete, but some plant contacts concur with the above story/sentence. This is not region wide, but it is true for some plants that have seen farmers leave the business. Conversely, milk output in Florida and the Southeast is coming up. Milk haulers, comparing current volumes to late September, report significant jumps in farm pick ups. This week, Florida handlers did not take in any spot milk. In fact they turned back some of their committed milk from nearby sources. A year ago, Florida was balanced and had no imports or exports. The rest of the Southeast imported 28 loads during this week in 1999. Handlers in other Southeastern states also brought in no extra milk and had to start up some manufacturing plants to clear the milk. Thanksgiving weekend gave very little extra milk. Most Northeast operations saw a jump in receipts on Friday, but "things" got back to normal on Saturday. Bottled milk sales were fair to good and most bottlers are now back to pre-holiday schedules. Some Florida bottlers did cancel quite a bit of milk that they ordered based on anticipated needs. These needs did not materialize. Surplus milk volumes were easily cleared over the weekend. Overall, milk supplies are still tight in the Northeast. The condensed skim market is about steady, but prices, particularly for Class III, are lower. This does impact Class III wet solids prices. With the difference between Class III and IV prices for November expected to be very wide, there is a desire to move the solids in Class III channels. Class II prices are holding pretty much where they have been. The fluid cream market is still firm. Offerings are light to moderate and easily cleared. Volumes over the holiday weekend were not that heavy and cleared with little difficulty. Prices are generally steady as the butter price at the CME did not change last week. Ice cream producers are taking normal, late fall-early winter volumes. Cream cheese output is moderate to heavy as producers build some stocks before the holidays. Bottled cream, sour cream, and egg nog production have slowed. Churning activity is light to moderate. Butter makers are paying competitive prices for any extra cream that may be available.

FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

SPOT PRICES OF CLASS II CREAM, \$ PER LB BUTTERFAT

F.O.B. PRODUCING PLANTS: NORTHEAST	-	2.3874-2.6028
DELIVERED EQUIVALENT ATLANTA	-	2.4053-2.6028 M 2.4412-2.4771
F.O.B. PRODUCING PLANTS: UPPER MIDWEST	-	2.3335-2.5130
PRICES OF CONDENSED SKIM, \$ PER LB WET SOLIDS		
F.O.B. PRODUCING PLANTS:		
NORTHEAST- CLASS II - INCLUDES MONTHLY FORMULA PRICES	-	1.0700-1.1500
NORTHEAST- CLASS III - SPOT PRICES	-	.7000-1.0100

M I D W E S T

SPOT SHIPMENTS:

LOADS

NOVEMBER 22 - 30, 2000	0
PREVIOUS WEEK	15
COMPARABLE WEEK IN 1999	20

Class I demand continued strong following the extended holiday weekend. Retail promotional activity was moving additional volumes in some markets. The reopening of schools also helped Class I interest. Spot Class I premiums paid ranged from \$3.15 to \$4.00 for extra supplies. Bulk milk supplies were not always available on preferred bottler schedules. A total of 35 loads of Wisconsin milk were direct shipped to Missouri, 8 loads to Kentucky, 12 to Tennessee and pooled under other federal orders to supplement local offerings. Several loads of Michigan milk were imported to supplement bottlers in Wisconsin and/or Illinois. Manufacturing milk interest from cheese makers remains strong but demand was often going unsatisfied due to lack of supplies or better returns from uses other than cheese. For most handlers, the

Thanksgiving holiday weekend caused no problems as any extra loads backed up from bottlers were welcomed at many manufacturing plants as spot offerings remain limited otherwise. Cottage cheese production was often lighter after the holiday. Prices were steady at the Chicago Mercantile Exchange cash butter market during the holiday week. While some lower cream multiples were used over the holiday weekend, excellent demand has helped prices bounce back. Strong condensed skim interest was also minimizing dryer schedules. Most plant milk receipts are not showing consistent signs of a rebound from the annual low point. Some plant operators/handlers are hearing rumors of a sizeable number of possible farm sellouts that may occur by next spring due to low milk prices. Late season harvest and tillage operations continue in some areas though snow cover and frost are hampering some plans.

WISCONSIN LIVESTOCK AUCTIONS (PER CWT.)

	NOV 21 - 29	PREVIOUS YEAR
SLAUGHTER COWS	\$ 35.00- 40.00	\$ 34.00- 38.50
REPLACEMENT HEIFER CALVES	\$280.00-380.00	\$250.00-350.00

SOUTH ST. PAUL TERMINAL AUCTION MARKET (PER CWT.)

	NOV 21 - 29	PREVIOUS YEAR
SLAUGHTER COWS	\$ 31.00- 44.25	\$ 30.00- 40.00

W E S T

October pool receipts of milk in California total 2.631 billion pounds, 3.4% higher than last year. Cumulative pool output through ten months of 2000 totals 26.365 billion pounds (unadjusted for extra day in February 2000), up 6.7% from the comparable period in 1999. The October blend price, at a fat test of 3.70%, is \$11.17, 93 cents lower than September. The percentage of receipts used in Class I products is 21.83%. The October quota price is \$12.29 and the base and overbase prices are \$10.59. These prices are \$1.02 lower than last month and \$2.26 lower than October 1999. California milk production is rated as steady with reports in certain areas of the Central Valley being mixed. Some localities are even slightly below a year ago. Contacts continue to comment on milk output per cow being lower than last year. Several factors are being credited: from earlier weather stress to feed quality. Seasonal declines are noted in other regions. Concerns are evident over low milk prices and what impact the prices will have on milk production in the nearby months. Fluid milk movements resumed back to schools following several days of vacations around the Thanksgiving holiday. Cream supplies were handled efficiently over the extended holiday period. Cream multiples range from 115 to 135. Demand remains good from a variety of sources. Some butter makers are selling cream to maximize returns. There are also concerns about keeping stocks light to protect against inventory devaluation if/when butter prices drop. Arizona milk production is trending seasonally higher. Weather conditions are improved and cows are responding with more milk. Milk was generally handled effectively over the holiday with shipments to other areas noted. Milk output is holding mostly steady in New Mexico. There were no problems handling milk over the weekend. Plants in the state would take more milk. Temperatures are more favorable this week for milk cows. No problems were noted in the Pacific Northwest handling milk related to the Thanksgiving holiday period. Per cow milk production remains strong, but milk producers continue to exit the industry. Cows are not nearly as easy to sell as a few weeks ago. Prices seem to be \$1-200 lower and demand is much less aggressive, especially from Idaho. Heifer prices also continue to weaken. Hay quality is declining on current offerings, but prices are hanging in there. Culling activity remains minimal. Some manufacturing plants in the northern Intermountain area continue to look for additional loads of milk. They want to keep their facilities operating efficiently. More financial stress is noted in herds in Idaho. Contacts are wondering how bankers will handle these problems. Weather conditions have moderated somewhat, temperature wise. This has caused some mud problems in feed lots. Many of the expanded facilities in Idaho now have a full complement of dairy cows on hand. This may lead to slower demand for cattle in the short run in the region.

CENTRAL AND WEST DRY MILK PRODUCTS

All reports, except California manufacturing plants, were released 11/30/00 and represent FOB Central and Western production areas. Prices represent CL/TL quantities for domestic and export sales packaged in 50 lb., 100 lb., or 25 kg. bags, spray process, dollars per pound.

NONFAT DRY MILK - CENTRAL

Prices are unchanged to higher on a steady to firm market. Excess milk volumes from school breaks were less than anticipated. Production of NDM is generally steady. Inventories are mostly in balance with some plants holding a few loads to move. Grade A demand is strong and clearing well at the higher end of the range. Production of Extra Grade product for the government is slowing as commercial demand increases. Producers are hoping to clear their stocks before seasonal increases in production begin. High heat demand remains good with most product clearing on regular contracted commitments. Premiums on high heat are generally unchanged.

Includes EXTRA GRADE and GRADE A, low and medium heat

NONFAT DRY MILK: 1.0100 - 1.0600 MOSTLY: 1.0250 - 1.0275

DRY BUTTERMILK - CENTRAL

Prices are unchanged on a firm market. While producers have provided a few more loads to the market, supply remains insufficient relative to demand. With butter production generally light, the availability of buttermilk for condensed users and drying plants is limited. Condensed demand is generally good. Most producers prefer to clear condensed over dry buttermilk to avoid expensive drying costs. Reports are unclear as to when the market might loosen. The undertone is that the market will tend firm through the end of the year.

BUTTERMILK: 1.0050 - 1.0500

DRY WHEY - CENTRAL

Prices are higher on a firm market. Many manufacturers are sold out and unable to offer supplies on a spot basis. The tightness in the market is being attributed to decreases in cheese production and good movement into exports. Some buyers are a little shocked by the sudden price increases. Contract loads are generally being met without delay. Feed buyers are starting to consider lactose as a cheaper substitute to whey. Production is steady to somewhat lower. Some resale product is beginning to appear at prices within the current price range. Off grade product is tight for the fair interest.

NONHYGROSCOPIC: .2150 - .2500 MOSTLY: .2200 - .2300

ANIMAL FEED WHEY - CENTRAL

Prices are unchanged to higher on a steady to firm market. Milk replacer supplies are tight. Some feed buyers are resisting current prices while others are taking in spot loads on an as needed basis. Some roller ground prices edged higher with the Extra Grade market. Interest in delactose remains seasonally strong. Some off grade delactose is available below the average. Extra grade delactose is tight in supply with most plants unable to satisfy additional spot load requests from feed and food facilities. Early weaned pig prices are trending higher while veal prices move lower. October veal production totaled 18 million pounds, 2% below the previous record low for October set a year ago. Pork production totaled 1.72 billion pounds, up 1% from the previous year.

MILK REPLACER: .1900 - .2000
 ROLLER GROUND: .2000 - .2200
 DELACTOSE (Min. 20% protein): .3750 - .4000

LACTOSE - CENTRAL AND WEST

Prices are unchanged on a steady market. Some plants are short of product while others have a few loads to move. Because of the increasing price of whey, some feed buyers are looking at lactose as a substitute in feed formulations. Some lactose producers are willing to negotiate prices on multiple load shipments, but the high price of WPC needed to supplement lactose used in feed is deterring product movement. Inquiries persist from Asia. Most plants that export are unable to satisfy current interest. Contract negotiations for the first quarter are trending unchanged to higher. Spot load interest is heavy on 200 mesh with light inquiries on the lower mesh sizes from candy companies. Production is unchanged and off grade supplies are light.

Including spot sales and up to 3 month contracts. Mesh size 30 - 100.

EDIBLE: .1550 - .2100 MOSTLY: .1600 - .1700

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Prices are unchanged on a generally steady market. Export interest has not been affected by the current price of WPC as inquiries persist. Some US producers are anticipating bid acceptance on the Japanese WPC tender for December. Demand for WPC is best on 80% and isolates with most manufacturers unable to satisfy the strong spot interest. As more condensed WPC is diverted to the higher protein products, less is available for 34% production. However, during the current week, more condensed WPC was being offered with some producers turning down excess loads. Some resale product is being noted over the range while other manufacturers market product at or below the average. Inventories are mixed with some plants able to readily satisfy spot needs and others running short of buyer needs. Off grade supplies are tight on steady production schedules.

EXTRA GRADE 34% PROTEIN: .7225 - .7625 MOSTLY: .7275 - .7375

NONFAT DRY MILK - WEST

Low/medium heat nonfat dry milk prices are unchanged. The market tone remains on the weak side. Market conditions have changed very little in recent months. Contacts continue to work on contracting details for 2001. Expectations are that sales to the CCC price support program will be steady and heavy next year if current domestic and world conditions remain the same. There are concerns that there could be a lowering of the NDM support price if a tilt were executed. Production levels were higher over the holiday weekend to handle surplus milk supplies, although milk was not distressed. Capacity levels were ample to handle milk efficiently locally in the region. Stocks remain moderate to heavy. High heat prices are also unchanged. Market activity is sometimes higher seasonally. Stocks are in good balance. For the period of November 20 - 21, net CCC purchases totaled 3.8 million pounds of nonfortified NDM and 3.0 million pounds of fortified NDM from the West.

Includes EXTRA GRADE and GRADE A

LOW/MEDIUM HEAT: 1.0000 - 1.0200 MOSTLY: 1.0000 - 1.0150
 HIGH HEAT: 1.0300 - 1.0750

DRY BUTTERMILK - WEST

Prices are unchanged for dry buttermilk. The market tone remains steady to firm. Offerings and demand continue to be balanced around light availability. Production levels are higher at some facilities, but the call for condensed buttermilk remains good. Contract loads are beginning to be caught up on. Stocks remain light.

BUTTERMILK: .9500 - 1.0100 MOSTLY: .9600 - .9800

DRY WHEY - WEST

Western whey prices range from steady to slightly higher. Sales activity is generally rated as good for domestic accounts. Export sales range from steady to somewhat less than expectations. Holiday issues around the world are beginning to impact purchase strategies for overseas buyers. Manufacturers' stocks of powder are in close balance with needs for the most part. Remaining stocks are being held with confidence. Production levels are often running behind anticipated volumes as less milk is running through some cheese plants. Some of this is due to less milk being available and the rest is due to milk moving to other uses, primarily butter/powder. Sellers are noting that European whey markets are exhibiting quite a bit of strength.

NONHYGROSCOPIC: .1725 - .2250 MOSTLY: .1900 - .2000

CALIFORNIA MANUFACTURING PLANTS - NONFAT DRY MILK

WEEK ENDING	PRICE	POUNDS
November 24	\$1.0094	8,180,081
November 17	\$1.0102	12,124,389

Prices are weighted averages for Extra Grade and Grade A Nonfat Dry Milk, f.o.b. California manufacturing plants. Prices for both periods were influenced by effects of long-term contract sales. Compiled by Dairy Marketing Branch, California Department of Food and Agriculture.

NORTHEAST, SOUTHEAST, AND NATIONAL MILK PRODUCTS

All reports represent carlot/trucklot quantities for domestic and export sales packaged in 50 lb., 100 lb., or 25 kg. bags, spray process, dollars per pound, unless otherwise specified. Delivered Southeast is delivered equivalent Atlanta.

NONFAT DRY MILK - NORTHEAST AND SOUTHEAST

Prices are unchanged to higher and nominal. Production was up slightly late last week when additional milk was available to butter/powder plants. This extra milk seemed only to materialize on Friday and was cleared easily. A few Southern balancing plants did operate several days over the Thanksgiving holiday period. There is growing concern about natural gas prices and this holds true for any plant that dries dairy products. Reportedly, people are locking in natural gas prices at several times the cost of last year's. The escalating cost to fuel dairy plants is becoming more of a factor for processors. In the East, NDM stocks are tight and buyers are having to reach to other areas to find powder. This is often an issue for users who typically need plant-specific powder. Buyers and sellers are currently negotiating next year's contracts. Current demand is mostly steady. The continued good demand for condensed skim is reducing drying schedules. Also, the expected spread between the November Class III and IV milk prices is, for some, a deterrent to drying.

Includes EXTRA GRADE AND GRADE A

F.O.B. NORTHEAST:

LOW/MEDIUM HEAT: 1.0500 - 1.0800 MOSTLY: 1.0600 - 1.0650

HIGH HEAT: 1.1000 - 1.1200 MOSTLY: 1.1100 - 1.1150

DELVD SOUTHEAST:

ALL HEATS: 1.0450 - 1.1350

DRY BUTTERMILK - NORTHEAST AND SOUTHEAST

Prices are unchanged and nominal. Production remains light. During the holiday weekend a high percentage of any extra cream that became available found its way into cream cheese plants instead of churning facilities. Butter makers continue to look for more cream to churn. Dry buttermilk stocks are closely balanced to tight. Many suppliers are moving LTL quantities to keep some customers partially satisfied. The resale market is also firm and loads or part loads are getting harder to find.

F.O.B. NORTHEAST: .9800 - 1.0000

DELVD SOUTHEAST: 1.0000 - 1.0300

DRY WHOLE MILK - NATIONAL

The market tone is steady. Prices are steady to slightly higher. Some Western producers expect to adjust prices higher now that butter prices at the CME increased again on November 29. Production levels are light and mostly geared to covering existing contracts. Plant stocks are light and closely balanced. Like other products, dryers are becoming more concerned about the spiraling prices of natural gas this winter. Demand is mostly contractual.

F.O.B. PRODUCING PLANT: 1.2275 - 1.4550

DEIP BID ACCEPTANCE SUMMARY

JULY 1, 2000 THROUGH NOVEMBER 24, 2000
WITH CHANGES FROM PREVIOUS REPORT

NONFAT DRY MILK -- 12,750 MT (28,108,650 LBS)

CHEESE -- 3,030 MT (6,679,938 LBS)

This program-year's allocation is filled.

Allocations for the DEIP year beginning July 1, 2000: Nonfat dry milk - 68,201 MT; Cheese - 3,030 MT; Butterfat - 21,097 MT.

DRY WHEY - NORTHEAST AND SOUTHEAST

Prices are higher and nominal. The market tone is firm. Eastern cheese and dry whey production remains light. Some extra milk did find its way into cheese plants over the holiday weekend, but these volumes were lighter than expected and easily cleared. Most cheese plants in the East are having to adjust their operating schedules lower because of the lighter milk supply. Most producers have no product on hand for spot sale and are taking orders for delivery in late December or after the first of the year. Any extra loads that do "pop up" are moving at a premium. Traders report more difficulty finding dry whey in other regions and, more often, trying to find required loads via the resale market. Demand is basically steady. The current market strength is supply driven.

F.O.B. NORTHEAST: EXTRA GRADE .2200 - .2250

USPH GRADE A .2175 - .2300

DELVD SOUTHEAST: .2450 - .2850

EVAPORATED MILK - NATIONAL

Prices and the market tone are unchanged. The extra milk expected over the Thanksgiving weekend did not amount to very much. Producers are operating on moderate schedules. Plant inventories are quite low, but that is to be expected at this time of year. Typically, evaporated milk sales peak during the "holiday baking season." This is also a period of widespread retail feature activity.

DOLLARS PER 48 - 12 FLUID OUNCE CANS PER CASE DELIVERED MAJOR U.S. CITIES \$20.00 - 33.00

Excluding promotional and other sales allowances. Included new price announcements.

CASEIN - NATIONAL

Acid and rennet prices are unchanged with a steady to firm market tone. Supplies are in balance for contract loads, although short for spot demand. Production in exporting countries is often limited to future contract needs. Strong demand and high world prices favor making skim milk powder. Production levels are trending lower in Oceania, mirroring seasonal declines in milk production.

SPOT SALES AND UP TO 3 MONTH CONTRACTS. PRICES ARE FOR EDIBLE NONRESTRICTED AND VARY ACCORDING TO MESH SIZE AND QUALITY.

RENNET: 2.2500 - 2.4000

ACID: 2.3000 - 2.4500

MONTHLY SUMMARY AND AVERAGES FOR NOVEMBER 2000 1/ - (UNLESS OTHERWISE NOTED, PRICES ARE DOLLARS PER POUND, CL/TL)

COMMODITY	REPORT NUMBER 44	REPORT NUMBER 45	REPORT NUMBER 46	REPORT NUMBER 47	REPORT NUMBER 48	2000	1999
	NOV 01 - 03	NOV 06 - 10	NOV 13 - 17	NOV 20 - 24	NOV 27 - 30	or Total	or Total

CHEESE

MIDWEST COMMODITY CHeddar

-- Cheddar Barrel s :: 1.0000 - 1.0150 :: 1.0000 - 1.0150 :: 1.0050 - 1.0300 :: 1.0350 - 1.0650 :: 1.0500 - 1.0700 :: 1.0290 :: 1.1431
 -- Cheddar 40# Blocks :: 1.0200 - 1.0750 :: 0.9800 - 1.0500 :: 1.0375 - 1.1200 :: 1.1000 - 1.1525 :: 1.0700 - 1.1325 :: 1.0753 :: 1.1730

WISCONSIN (WSP, Delivered, LTL)

-- Process American 5# Loaf :: 1.2000 - 1.6000 :: 1.2000 - 1.5000 :: 1.2025 - 1.5000 :: 1.2325 - 1.5000 :: 1.2525 - 1.5000 :: 1.3663 :: 1.5733
 -- Brick And/Or Munster 5# :: 1.5750 - 1.6300 :: 1.4700 - 1.5625 :: 1.4700 - 1.5625 :: 1.4700 - 1.6575 :: 1.4700 - 1.6775 :: 1.5502 :: 1.7298
 -- Cheddar 40# Block :: 1.3850 - 2.1150 :: 1.3725 - 2.1150 :: 1.3725 - 2.1150 :: 1.4675 - 2.1150 :: 1.4700 - 2.1150 :: 1.7639 :: 1.8248
 -- Monterey Jack 10# :: 1.6025 - 2.1150 :: 1.5900 - 2.1150 :: 1.5900 - 2.1150 :: 1.6700 - 2.1150 :: 1.6700 - 2.1150 :: 1.8694 :: 1.9184
 -- Blue 5# :: 1.7200 - 2.2000 :: 1.7075 - 2.0900 :: 1.7075 - 2.0900 :: 1.8025 - 2.0900 :: 1.8225 - 2.0900 :: 1.9289 :: 2.0873
 -- Mozzarella 5 - 6# :: 1.4500 - 2.2150 :: 1.4375 - 2.2150 :: 1.4375 - 2.2150 :: 1.5000 - 2.2150 :: 1.5000 - 2.2150 :: 1.8397 :: 1.9098
 -- Grade A Swiss Outs 6 - 9# :: 2.0000 - 2.6850 :: 2.0000 - 2.6850 :: 2.0000 - 2.6850 :: 2.0950 - 2.6850 :: 2.0950 - 2.6850 :: 2.3615 :: 2.6175

NORTHEAST (WSP, Delivered, LTL)

-- Cheddar 10# Prints :: 1.0600 - 1.5275 :: 1.0475 - 1.5150 :: 1.0475 - 1.5150 :: 1.1425 - 1.6100 :: 1.1250 - 1.5925 :: 1.3176 :: 1.4351
 -- Cheddar Single Dai sies :: 1.0175 - 1.4775 :: 1.0050 - 1.4650 :: 1.0050 - 1.4650 :: 1.1000 - 1.5600 :: 1.0825 - 1.5425 :: 1.2714 :: 1.4001
 -- Cheddar 40# Block :: 1.1600 - 1.3375 :: 1.1475 - 1.3250 :: 1.1475 - 1.3250 :: 1.2425 - 1.4200 :: 1.2250 - 1.4025 :: 1.2726 :: 1.4039
 -- Process 5# Loaf :: 1.2100 - 1.3850 :: 1.2100 - 1.3850 :: 1.2125 - 1.3875 :: 1.2425 - 1.4175 :: 1.2650 - 1.4350 :: 1.3151 :: 1.4438
 -- Process 5# Sliced :: 1.2300 - 1.4875 :: 1.2300 - 1.4875 :: 1.2325 - 1.4900 :: 1.2625 - 1.5200 :: 1.2850 - 1.5375 :: 1.3764 :: 1.5028
 -- Munster :: 1.2200 - 1.4275 :: 1.2075 - 1.4150 :: 1.2075 - 1.4150 :: 1.3025 - 1.5100 :: 1.2850 - 1.4925 :: 1.3476 :: 1.5239
 -- Grade A Swiss Outs 10 - 14# :: 2.3500 - 2.5500 :: 2.3500 - 2.5500 :: 2.3500 - 2.5500 :: 2.3500 - 2.5500 :: 2.3500 - 2.5500 :: 2.4500 :: 2.4500

WEST COAST (WSP, Delivered, LTL)

-- Process 5# Loaf :: 1.1525 - 1.4125 :: 1.1525 - 1.4125 :: 1.1525 - 1.4125 :: 1.1850 - 1.4450 :: 1.2025 - 1.4625 :: 1.2990 :: 1.4390
 -- Cheddar 40# Block :: 1.1450 - 1.2850 :: 1.1325 - 1.2725 :: 1.1325 - 1.2725 :: 1.2275 - 1.3675 :: 1.2100 - 1.3500 :: 1.2389 :: 1.3648
 -- Cheddar 10# Outs :: 1.3250 - 1.5450 :: 1.3125 - 1.5325 :: 1.3125 - 1.5325 :: 1.4075 - 1.6275 :: 1.3900 - 1.6100 :: 1.4589 :: 1.5848
 -- Monterey Jack 10# :: 1.3350 - 1.4950 :: 1.3225 - 1.4825 :: 1.3225 - 1.4825 :: 1.4175 - 1.5775 :: 1.4000 - 1.5600 :: 1.4389 :: 1.5698
 -- Grade A Swiss Outs 6 - 9# :: 2.3000 - 2.5400 :: 2.3000 - 2.5400 :: 2.3000 - 2.5400 :: 2.3000 - 2.5400 :: 2.3000 - 2.5400 :: 2.4200 :: 2.4385

FLUID AND DRY PRODUCTS

SPOT PRICES OF CLASS III CREAM (\$ per lb. butterfat)

-- Northeast - f.o.b. :: 1.4624 - 1.6000 :: 1.6036 - 1.7232 :: 2.1183 - 2.2922 :: 2.4053 - 2.6028 :: 2.3874 - 2.6028 :: 2.1135 :: 1.4424
 -- Atlanta - delivered :: 1.4738 - 1.6000 :: 1.6036 - 1.7232 :: 2.1341 - 2.3080 :: 2.4053 - 2.6028 :: 2.4053 - 2.6028 :: 2.1201 :: 1.4391
 -- Upper Midwest - f.o.b. :: 1.5081 - 1.6109 :: 1.5318 - 1.6873 :: 2.1341 - 2.5310 :: 2.4233 - 2.5848 :: 2.3335 - 2.5130 :: 2.1244 :: 1.4022

PRICES OF CLASS III CONDENSED SKIM (\$ per lb. wet solids)

-- Northeast - f.o.b. :: 1.0700 - 1.1500 :: 1.0700 - 1.1500 :: 1.0700 - 1.1500 :: 1.0700 - 1.1500 :: 1.0700 - 1.1500 :: 1.1100 :: 1.4365

SPOT PRICES OF CLASS III CONDENSED SKIM (\$ per lb. wet solids)

-- Northeast - f.o.b. :: 0.8900 - 1.0100 :: 0.8900 - 1.0100 :: 0.8900 - 1.0100 :: 0.8900 - 1.0100 :: 0.7000 - 1.0100 :: 0.9310 :: 1.0740

WISCONSIN FLUID MILK SHIPMENTS

-- Loads Shipped from Wisconsin Shipping Points :: 21 :: 24 :: 21 :: 15 :: 0 :: 81 :: 115

NATIONAL EVAPORATED MILK (\$ per Case)

(Case - 48 - 12 fluid oz cans)
 -- Delivered Major U.S. Cities :: 20.0000 -33.0000 :: 20.0000 -33.0000 :: 20.0000 -33.0000 :: 20.0000 -33.0000 :: 20.0000 -33.0000 :: 26.5000 :: 28.8400

MONTHLY SUMMARY AND AVERAGES FOR NOVEMBER 2000 1/ - (UNLESS OTHERWISE NOTED, PRICES ARE DOLLARS PER POUND, CL/TL)

COMMODITY	REPORT NUMBER 44	REPORT NUMBER 45	REPORT NUMBER 46	REPORT NUMBER 47	REPORT NUMBER 48	2000	1999
	Nov 01 - 03	Nov 06 - 10	Nov 13 - 17	Nov 20 - 24	Nov 27 - 30	Average	Average
	or Total	or Total	or Total	or Total	or Total	or Total	or Total
DRY PRODUCTS							
NONFAT DRY MILK							
-- Central (F.o.b.)							
-- Low/Medium Heat	1.0100 - 1.0400	1.0100 - 1.0450	1.0100 - 1.0500	1.0100 - 1.0600	1.0100 - 1.0600	1.0308	1.0343
-- Mostly	1.0150 - 1.0250	1.0150 - 1.0250	1.0200 - 1.0300	1.0200 - 1.0250	1.0250 - 1.0275	1.0230	1.0343
-- West (F.o.b.)							
-- Low/Medium Heat	0.9900 - 1.0225	1.0000 - 1.0200	1.0000 - 1.0200	1.0000 - 1.0200	1.0000 - 1.0200	1.0094	1.0109
-- Mostly	1.0000 - 1.0150	1.0000 - 1.0150	1.0000 - 1.0150	1.0000 - 1.0150	1.0000 - 1.0150	1.0075	1.0116
-- High Heat	1.0300 - 1.0750	1.0300 - 1.0750	1.0300 - 1.0750	1.0300 - 1.0750	1.0300 - 1.0750	1.0525	1.0325
-- Northeast (F.o.b.)							
-- Low/Medium Heat	1.0500 - 1.0800	1.0500 - 1.0800	1.0500 - 1.0800	1.0500 - 1.0800	1.0500 - 1.0800	1.0650	1.0368
-- Mostly	1.0600 - 1.0650	1.0600 - 1.0650	1.0600 - 1.0650	1.0600 - 1.0650	1.0600 - 1.0650	1.0625	1.0305
-- High Heat	1.1000 - 1.1150	1.1000 - 1.1150	1.1000 - 1.1150	1.1000 - 1.1150	1.1000 - 1.1200	1.1080	1.0878
-- Mostly	1.1100 - 1.1150	1.1100 - 1.1150	1.1100 - 1.1150	1.1100 - 1.1150	1.1100 - 1.1150	1.1125	1.0810
-- Southeast (Delvd)							
-- Extra & Grade A	1.0400 - 1.1350	1.0400 - 1.1350	1.0400 - 1.1350	1.0400 - 1.1350	1.0450 - 1.1350	1.0880	1.0886
WHEY POWDER (Nonhygroscopic)							
-- Central (F.o.b.)	0.1800 - 0.2000	0.1875 - 0.2050	0.1950 - 0.2300	0.2000 - 0.2350	0.2150 - 0.2500	0.2109	0.1834
-- Mostly	0.1850 - 0.1900	0.1925 - 0.1950	0.1950 - 0.2050	0.2100 - 0.2200	0.2200 - 0.2300	0.2049	0.1801
-- West (F.o.b.)	0.1700 - 0.2000	0.1725 - 0.2000	0.1725 - 0.2100	0.1725 - 0.2150	0.1725 - 0.2250	0.1913	0.2041
-- Mostly	0.1800 - 0.1875	0.1825 - 0.1900	0.1850 - 0.1975	0.1800 - 0.2000	0.1900 - 0.2000	0.1896	0.2016
-- Northeast Extra Grade (F.o.b.)	0.1875 - 0.2000	0.1925 - 0.2050	0.2000 - 0.2150	0.2050 - 0.2150	0.2200 - 0.2250	0.2072	0.1819
-- Northeast Usph Grade A (F.o.b.)	0.1950 - 0.2050	0.1975 - 0.2050	0.2025 - 0.2250	0.2125 - 0.2250	0.2175 - 0.2300	0.2122	0.2039
-- Southeast Extra Grade (Delvd)	0.2200 - 0.2250	0.2200 - 0.2400	0.2275 - 0.2650	0.2275 - 0.2650	0.2450 - 0.2850	0.2432	0.2094
WHEY PROTEIN CONCENTRATE							
-- Central And West (F.o.b.)							
-- Extra Grade 34% Protein	0.7125 - 0.7625	0.7225 - 0.7625	0.7225 - 0.7625	0.7225 - 0.7625	0.7225 - 0.7625	0.7418	0.4353
-- Mostly	0.7275 - 0.7375	0.7275 - 0.7375	0.7275 - 0.7375	0.7275 - 0.7375	0.7275 - 0.7375	0.7325	0.4375
ANIMAL FEED - WHEY							
-- Central (F.o.b.)							
-- Milk Replacer	0.1450 - 0.1650	0.1500 - 0.1650	0.1550 - 0.1675	0.1650 - 0.1700	0.1900 - 0.2000	0.1676	0.1521
-- Roller Ground	0.1675 - 0.1875	0.1725 - 0.1925	0.1775 - 0.2000	0.1850 - 0.2050	0.2000 - 0.2200	0.1913	0.1814
-- Dextrose	0.3750 - 0.4000	0.3750 - 0.4000	0.3750 - 0.4000	0.3750 - 0.4000	0.3750 - 0.4000	0.3875	0.2875
BUTTERMILK (Min. 30% protein)							
-- Central (F.o.b.)	0.9825 - 1.0300	0.9825 - 1.0300	1.0050 - 1.0450	1.0050 - 1.0500	1.0050 - 1.0500	1.0194	0.8100
-- West (F.o.b.)	0.9500 - 0.9900	0.9500 - 0.9900	0.9500 - 0.9900	0.9500 - 1.0100	0.9500 - 1.0100	0.9740	0.7500
-- Mostly	0.9500 - 0.9700	0.9500 - 0.9700	0.9500 - 0.9700	0.9600 - 0.9800	0.9600 - 0.9800	0.9640	0.7245
-- Northeast (F.o.b.)	0.9700 - 0.9800	0.9700 - 0.9800	0.9800 - 1.0000	0.9800 - 1.0000	0.9800 - 1.0000	0.9848	0.8273
-- Southeast (Delvd)	0.9700 - 1.0000	0.9700 - 1.0000	1.0000 - 1.0300	1.0000 - 1.0300	1.0000 - 1.0300	1.0045	0.8339
WHOLE MILK POWDER							
-- National							
-- National (F.o.b.)	1.2075 - 1.3200	1.2275 - 1.3200	1.2275 - 1.4500	1.2275 - 1.4550	1.2275 - 1.4550	1.3155	1.3513
LACTOSE							
-- Central And West (F.o.b.)	0.1450 - 0.2100	0.1550 - 0.2100	0.1550 - 0.2100	0.1550 - 0.2100	0.1550 - 0.2100	0.1818	0.2075
-- Mostly	0.1600 - 0.1700	0.1600 - 0.1700	0.1600 - 0.1700	0.1600 - 0.1700	0.1600 - 0.1700	0.1650	0.1950
CASEIN - Edible - National (F.o.b.)							
-- Nonrestricted - Rennet	2.2500 - 2.4000	2.2500 - 2.4000	2.2500 - 2.4000	2.2500 - 2.4000	2.2500 - 2.4000	2.3250	1.8388
-- Nonrestricted - Acid	2.3000 - 2.4500	2.3000 - 2.4500	2.3000 - 2.4500	2.3000 - 2.4500	2.3000 - 2.4500	2.3750	1.8868

1/ Prices for all products are issued once a week and represent a value for the entire week. Monthly averages are based on weekly prices and are time-weighted according to the number of workdays in the month - Saturdays, Sundays and National Holidays excluded. No monthly average is computed if one or more weekly prices are missing.

CHICAGO MERCANTILE EXCHANGE AVERAGES FOR NOVEMBER 2000

COMMODITY	REPORT NUMBER 44:		REPORT NUMBER 45:		REPORT NUMBER 46:		REPORT NUMBER 47:		REPORT NUMBER 48:		2000 *	1999 *
											Monthly	Monthly
	NOV 1 - 3		NOV 6 - 10		NOV 13 - 17		NOV 20 - 22		NOV 27 - 30		Average	Average
BUTTER*												
-- GRADE AA												
--Monday			1.2175		1.7950		1.7950		1.7950			
--Tuesday												
--Wednesday	1.2025		1.7300		1.7950		1.7950		1.8500			
--Thursday												
--Friday	1.2225		1.7950		1.7950		#			1.6490	1.0615	
--Weekly Average**	1.1967		1.5808		1.7950		1.7950					
CHEESE*												
-- BARRELS												
--Monday			1.0000		1.0200		1.0650		1.0500			
--Tuesday			1.0000		1.0200		1.0400		1.0550			
--Wednesday	1.0025		1.0000		1.0300		1.0500		1.0700			
--Thursday	1.0000		1.0000		1.0400		#		1.0900			
--Friday	1.0000		1.0200		1.0600		#			1.0306	1.1251	
--Weekly Average**	1.0005		1.0040		1.0340		1.0517					
-- 40# BLOCKS												
--Monday			0.9800		1.0900		1.1000		1.0700			
--Tuesday			0.9800		1.1000		1.0800		1.0900			
--Wednesday	1.0200		0.9800		1.1000		1.0700		1.0950			
--Thursday	1.0000		1.0400		1.1000		#		1.1200			
--Friday	0.9800		1.0600		1.1200		#			1.0588	1.1435	
--Weekly Average**	1.0080		1.0080		1.1020		1.0833					
NONFAT DRY MILK*												
-- EXTRA GRADE												
--Monday			1.0300		1.0300		1.0300		1.0300			
--Tuesday			1.0300		1.0300		1.0300		1.0300			
--Wednesday	1.0300		1.0300		1.0300		1.0300		1.0300			
--Thursday	1.0300		1.0300		1.0300		#		1.0300			
--Friday	1.0300		1.0300		1.0300		#			1.0300	1.0300	
--Weekly Average**	1.0300		1.0300		1.0300		1.0300					
-- GRADE A												
--Monday			1.0300		1.0300		1.0300		1.0300			
--Tuesday			1.0300		1.0300		1.0300		1.0300			
--Wednesday	1.0300		1.0300		1.0300		1.0300		1.0300			
--Thursday	1.0300		1.0300		1.0300		#		1.0300			
--Friday	1.0300		1.0300		1.0300		#			1.0300	1.0300	
--Weekly Average**	1.0300		1.0300		1.0300		1.0300					

* Monthly averages are a simple average of all the closes during the month. Weekly and monthly averages are independent calculations.

** Weekly averages are simple averages of the closes during the calendar week and are for information purposes. Should the week be split between two months, the weekly average will appear in the monthly report in which the Friday close is reported.

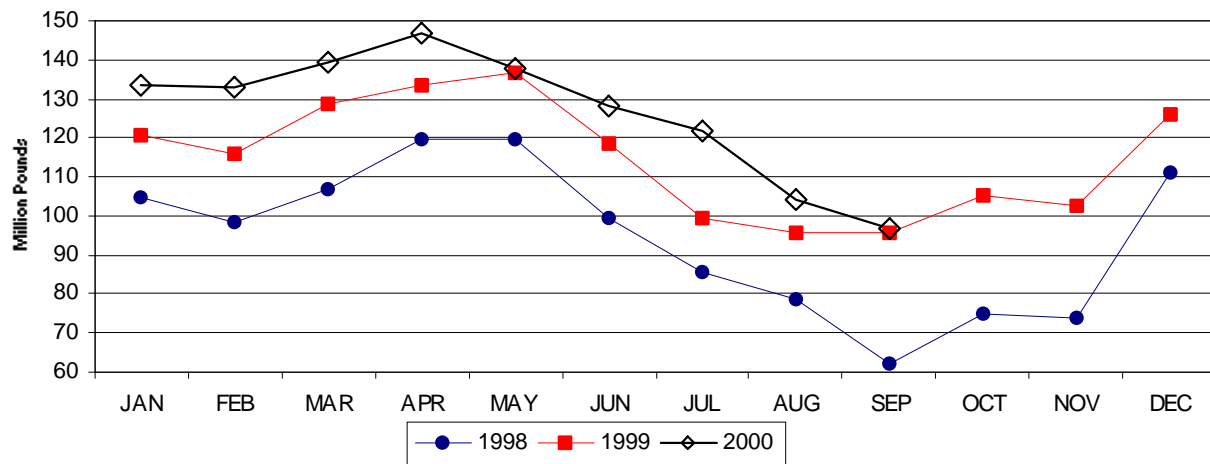
No trading, the CME was closed.

NOVEMBER 2000 DEIP BID ACCEPTANCES

ACCEPTANCE DATE	DESTINATION	QUANTITY (MT)	DEL. PERIOD	BONUS/MT
NONFAT DRY MILK				
JULY - OCTOBER 2000		12,750		
NOVEMBER 1 - 30, 2000		0		
CHEESE				
JULY - OCTOBER 2000		3,030*		
NOVEMBER 1 - 30, 2000		0		
C-CHEDDAR, G-GOUDA, M-MOZZARELLA, P-PROCESSED AMERICAN, CC-CREAM CHEESE, MJ-MONTEREY JACK, V - VARIETAL				
BUTTERFAT				
JULY - OCTOBER 2000		0		
NOVEMBER 1 - 30, 2000		0		
A-ANHYDROUS MILKFAT, B-BUTTER				
TOTAL MT				PROGRAM TO DATE
TOTAL BONUS VALUE				15,780
				\$5,692.000

Exporters of U.S. milk powder, butterfat and cheddar cheese are aided under the Dairy Export Incentive Program (DEIP), created by Food Security Act of 1985 and extended by the Food, Agriculture, Conservation, and Trade Act of 1990. Export sales are facilitated through payment of bonuses by the U.S. Department of Agriculture's Commodity Credit Corporation. Sales of dairy products will be made through normal commercial channels at competitive world prices. For further information call L.T. McElvain (202) 720-6211. Conversion: 1 metric ton (MT) = 2,204.6 pounds. **SOURCE: FOREIGN AGRICULTURAL SERVICE**

* Program year allocations are filled

U.S. Nonfat Dry Milk Production, Human

Graph USDA, DMN; Source USDA, NASS

**MAILBOX MILK PRICES FOR SELECTED FEDERAL MILK ORDERS AND CALIFORNIA,
JUNE 2000, WITH COMPARISONS**

In June 2000, mailbox milk prices reported for selected Federal milk orders averaged \$12.01 per cwt., \$0.17 more than the figure for the previous month. Compared to June 1999, mailbox milk prices decreased \$0.64 per cwt. on the average.

Editor's Note: The release of mailbox prices for sub-order areas is scheduled for October 2000 data.

Federal milk order <u>1/</u>	Mailbox Milk Price <u>2/</u>		
	June 1999	May 2000	June 2000
	<u>Dollars per hundredweight</u>		
Northeast <u>3/</u>	12.64	12.24	12.56
Mideast	12.71	12.24	12.25
Appalachian	13.93	13.26	13.59
Southeast	13.15	12.52	12.80
Florida	15.38	15.25	15.66
Southeastern Average <u>4/</u>	13.90	13.27	13.59
Upper Midwest	12.45	11.10	11.35
Central	12.23	11.02	11.16
Southwest	12.54	11.73	11.59
Western	11.73	10.13	10.13
Pacific Northwest	12.67	11.68	11.83
Mountain Average <u>4/</u>	12.16	11.00	11.08
All-Market Average <u>4/</u>	12.65	11.84	12.01
California <u>5/</u>	12.70	11.20	11.62

1/ Federal milk orders for which information could be released. Previous year figures are the weighted average of the prices for the orders that were consolidated. 2/ Net pay price received by dairy farmers marketing milk to handlers regulated under the Federal milk orders. Includes all payments received for milk sold and all costs associated with marketing the milk. Price is a weighted average for the market and is reported at the market average butterfat test. 3/ Includes the value of Northeast Dairy Compact over-order payments received by qualified producers. These over-order producer prices were: June 1999, \$0.73; May 2000, \$0.92; June 2000, \$0.80. 4/ Weighted average of the information for the orders listed in the region or for all selected orders combined. 5/ Calculated by California Department of Food and Agriculture, and published in "California Dairy Information Bulletin." Figure for May 2000 has been corrected; figure for May 1999 should have been \$12.05.

CONSUMER PRICE INDEX (CPI-U) AND AVERAGE RETAIL PRICES FOR SELECTED PRODUCTS, U.S. CITY AVERAGE ^{1/}

Month and Year	All Food		Dairy Products		Fresh Whole Milk		Cheese		Butter		Meat, Poultry, Fish and Eggs	
	CPI ^{2/}	Pct. Chg. ^{3/}	CPI ^{2/}	Pct. Chg. ^{3/}	CPI ^{2/}	Pct. Chg. ^{3/}	CPI ^{2/}	Pct. Chg. ^{3/}	CPI ^{2/}	Pct. Chg. ^{3/}	CPI ^{2/}	Pct. Chg. ^{3/}
AUG 2000	168.7	2.7	161.0	2.9	158.7	6.2	162.9	0.1	138.5	-6.9	156.8	5.6
SEPT 2000	168.9	2.6	161.6	1.8	158.7	3.9	162.9	-1.0	136.9	-5.5	156.9	5.2
OCT 2000	169.1	2.4	161.9	-1.3	159.0	-2.3	163.8	-2.2	135.2	-6.0	156.8	5.1
U.S. City Average Retail Prices												
Month	Whole Milk ^{4/}		Lowfat Milk ^{4/}		Butter ^{5/}		Process Cheese		Natural Cheese		Ice Cream ^{8/}	
	2000	1999	2000	1999	2000	1999	2000	1999	2000	1999	2000	1999
	Dollars											
AUGUST	2.807	2.719	2.696	2.624	2.686	2.722	3.649	3.866	3.947	3.763	3.542	3.250
SEPTEMBER	2.809	2.794	2.697	2.725	2.595	2.628	3.650	3.884	3.876	3.808	3.586	3.280
OCTOBER	2.805	2.964	2.720	2.892	2.627	2.858	3.640	3.858	3.930	4.007	3.620	3.380

NA = Not available. ^{1/} "CPI Detailed Report," "Consumer Prices: Energy and Food," BLS, U.S. Department of Labor. According to BLS, average prices are best used to measure the price level in a particular month. To measure price change over time, the CPI is more appropriate. ^{2/} The standard reference base period for these indexes is 1982-1984 = 100. ^{3/} Percent change over previous year. ^{4/} Per gallon. ^{5/} Per pound. Grade AA, salted, stick butter. ^{6/} Per pound, any size and type of package. ^{7/} Per pound, cheddar cheese in any size and type of package and variety (sharp, mild, smoked, etc.). ^{8/} Per 1/2 gallon, prepackaged regular.

COMMERCIAL DISAPPEARANCE: TOTAL MILK AND SELECTED DAIRY PRODUCTS-JULY-SEPTEMBER AND YEAR-TO-DATE 1999-2000 ^{1/}

Item	Jul.-Sep. 1999	Percent change ^{4/}	Jul.-Sep. 2000	Percent change ^{4/}	Jan.-Sep. 1999	Percent change ^{4/}	Jan.-Sep. 2000	Percent change ^{4/}
	Million Pounds							
MILK								
Production	39,771	3.3	41,333	3.9	122,305	3.3	127,097	3.5
Marketings	39,426	3.3	40,999	4.0	121,282	3.3	126,101	3.6
Beginning Commercial Stocks ^{2/}	9,191	38.2	10,255	11.6	5,274	7.9	6,135	16.3
Imports ^{2/}	1,408	-7.1	1,191	-15.4	3,500	7.8	3,352	-4.2
Total Supply ^{3/}	50,025	8.0	52,445	4.8	130,056	3.6	135,588	3.9
Ending Commercial Stocks ^{2/}	7,444	28.5	8,597	15.5	7,444	28.5	8,597	15.5
Net Removals ^{2/}	70	55.6	139	98.6	221	-30.3	674	205.0
Commercial Disappearance ^{3/}	42,511	5.0	43,709	2.8	122,391	2.5	126,317	2.8
SELECTED PRODUCTS ^{5/}								
Butter	318.3	15.9	336.5	5.7	934.0	5.8	937.5	0.0
American Cheese	944.8	15.8	928.1	-1.8	2,655.6	6.9	2,718.9	2.0
Other Cheese	1,183.8	8.6	1,242.2	4.9	3,380.2	5.0	3,644.5	7.4
Nonfat Dry Milk	228.3	10.9	234.3	2.6	613.2	-5.1	582.7	-5.2
Fluid Milk Products ^{6/}	13,854.4	1.2	13,718.8	-1.0	41,455.9	1.0	41,326.2	-0.7

NA = Not available.

^{1/} Commercial disappearance includes civilian and military purchases of milk and dairy products for domestic and foreign use, but excludes farm household use and USDA donations of dairy products. Disappearance is a residual figure and therefore can be affected by any inaccuracies in estimating milk production, on-farm use, stocks, and imports. ^{2/} Milk-equivalent, milkfat basis. Calculated using slightly different factors than previously. Further changes may be made as technical parameters become available. ^{3/} Totals may not add because of rounding. ^{4/} From year earlier on a daily average basis. ^{5/} Commercial disappearance in product pounds. ^{6/} Sales. Estimate based on actual sales in Federal milk order marketing areas and California. These sales figures have not been adjusted for calendar composition. **SOURCE:** Economic Research Service, USDA. Fluid milk products - Agricultural Marketing Service, USDA. This information is now available through ERS AutoFAX. To request a document, dial (202) 694-5700 and enter document number 11521 when prompted.

THE DAIRY SITUATION AND OUTLOOK

Holiday Cheese Prices Thud While Butter Prices Soar

Exchange prices of cheese started to fall in mid-September, dropped past the support purchase prices by early October, and hit \$1.00 per pound or less by early November. Large supplies made the early September prices impossible to hold and some decreases were inevitable. However, Exchange prices should not have been so much below the support purchase prices, particularly when so little cheese is being sold to the Commodity Credit Corporation (CCC). Prices by late November had recovered to levels only somewhat below the support purchase prices.

September-October milk production continued to post large increases, with much of that additional milk going into cheese vats. In addition, September 1 warehouse stocks of American cheese were up almost a fifth from a year earlier, although holdings of other varieties were about the same as the large stocks of a year ago. Evidently, pipeline stocks also were large, softening the effect of the first orders for yearend holiday needs. Although use of cheese probably has remained strong, these available supplies overwhelmed sales.

Only small amounts of cheese, mostly processed, had been sold to the Government by late November. Exchange prices so far below the purchase prices should not persist, if for any other reason than the strong incentive to sell under the price support program and replace those supplies commercially. Although Exchange product specifications for barrel cheese differ somewhat from the price support program's, USDA's standards for processed cheese are similar to commercial product. In addition, specifications for block cheese are very similar. The largest barrier to sales to the Government and an earlier convergence of prices probably was a simple lack of recent experience and preparation for selling cheese under the program.

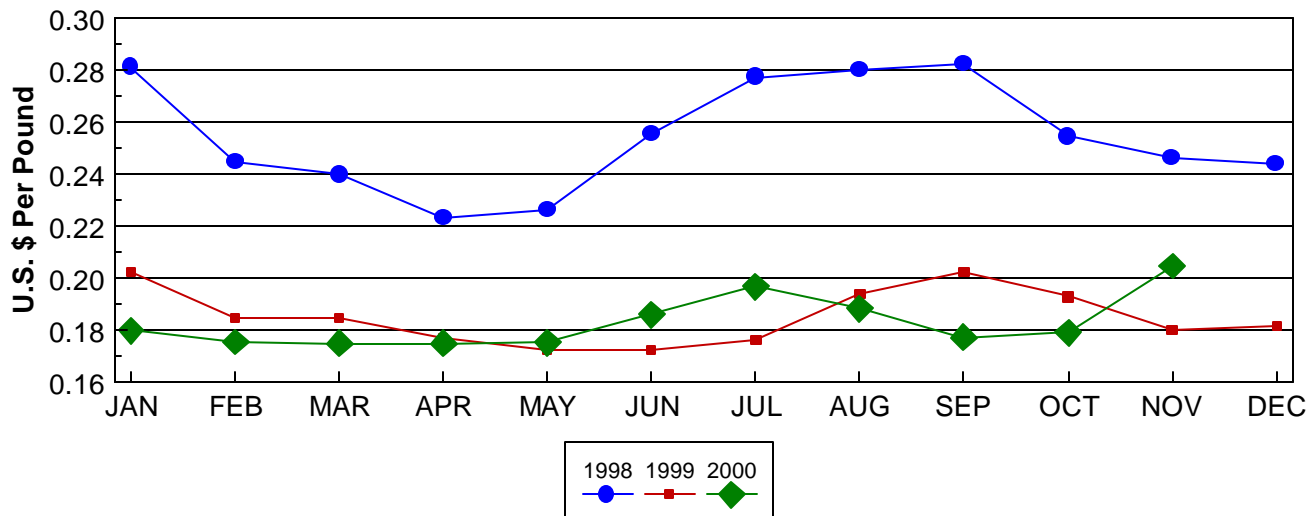
On the other hand, butter prices soared more than 65 cents per pound between late October and mid-November. Butter sales have remained strong, many retail stores planned Thanksgiving butter specials, and pipeline stocks evidently were stretched thin.

Cheese prices are expected to stay relatively weak in coming weeks, while butter prices carry considerable strength through the rest of the holiday season. However, current prices generate a dramatically higher value of milk for butter-powder than for cheese. Changes in Federal order regulations have diminished incentives to shift milk between manufacturing uses. Even so, modest diversion of milk away from cheese plants, with gains in milk production starting to ease slightly, might lend minor support to cheese prices by late January. More butter output will tend to weaken butter prices, although traders probably are currently confused about exactly how tight holiday conditions might be. In any case, large declines in butter prices are likely once holiday orders are filled sometime in December.

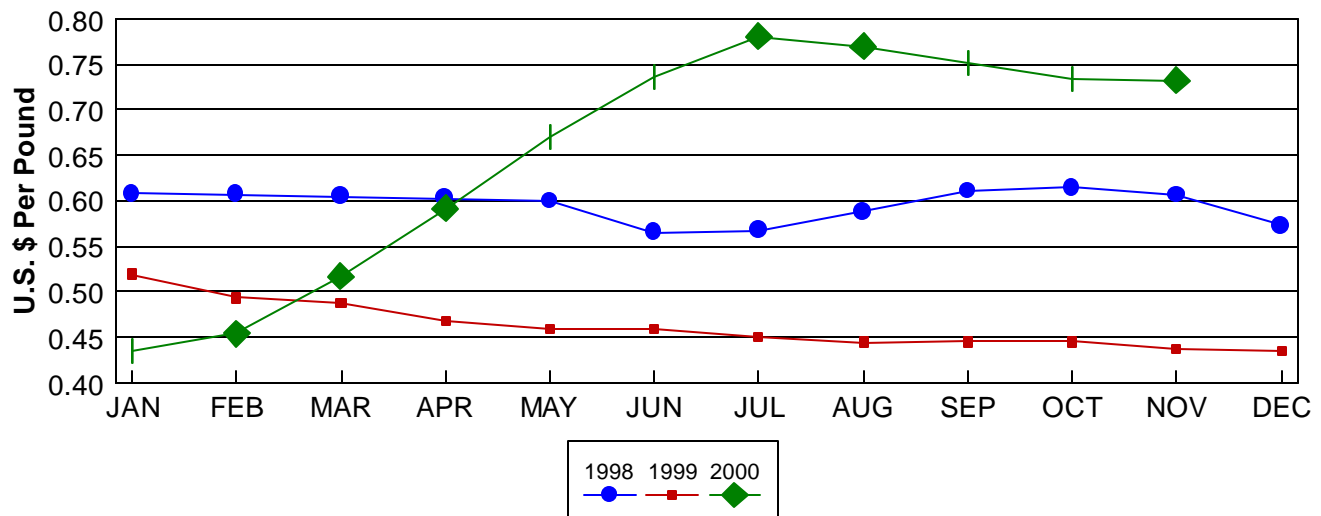
The end of the price support purchase program was postponed for a second time by recent legislation. Scheduled to cease at the end of 1999 and then at the end of 2000, the purchase program was extended through 2001. The support price for milk will remain at \$9.90 per cwt.

SOURCE: "Livestock, Dairy, and Poultry Situation and Outlook", LDP-M-77, November 28, 2000, Economic Research Service, USDA. For more information on the LDP report, contact James J. Miller, (202) 694-5184.

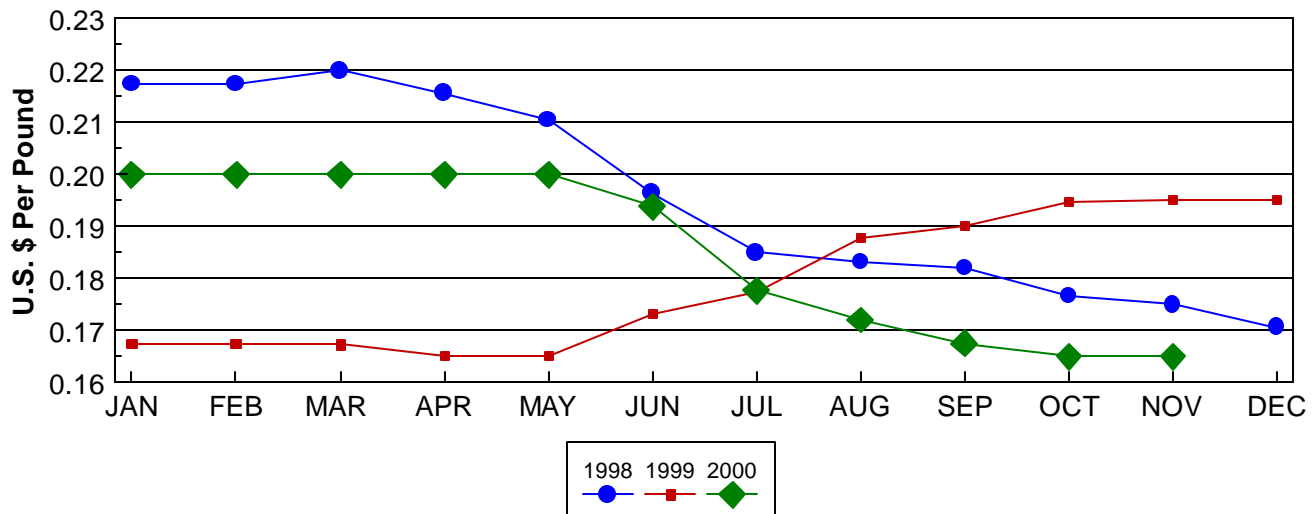
Central Dry Whey Monthly Average Mostly Prices



Central & West Dry WPC Monthly Average Mostly Prices



Central & West Dry Lactose Monthly Average Mostly Prices



CCC PURCHASES OF DAIRY PRODUCTS

	FOR THE PERIOD OF NOVEMBER 22 - DECEMBER 1			CUMULATIVE TOTALS			UNCOMMITTED INVENTORIES		
	TOTAL	CONTRACT	ADJUSTED	SINCE	SAME PERIOD	PERIOD ENDING	SAME PERIOD		
	PURCHASES	ADJUSTMENTS	PURCHASES	10/01/00	LAST YEAR	11/24/00	LAST YEAR		
BUTTER									
Bulk	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Packaged	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
CHEESE									
Block	971,335	-0-	971,335	1,746,065	-0-	-0-	-0-	-0-	-0-
Barrel	2,512,821	-0-	2,512,821	2,746,759	-0-	-0-	-0-	-0-	-0-
Process	39,600	-0-	39,600	1,821,600	-0-	-0-	-0-	-0-	-0-
TOTAL	3,523,756	-0-	3,523,756	6,314,424	-0-	-0-	-0-	-0-	-0-
NONFAT DRY MILK									
Nonfort	11,601,386	469,482	11,131,904	67,891,346	13,341,403	-0-	-0-	-0-	-0-
Fortified	1,624,240	-0-	1,624,240	13,098,452	1,548,551	-0-	-0-	-0-	-0-
TOTAL	13,225,626	469,482	12,756,144	80,989,798	14,889,954	-0-	-0-	-0-	-0-

MILK EQUIVALENT, MILKFAT AND SKIM SOLIDS BASIS, OF ADJUSTED PURCHASES (MILLION POUNDS)

	MILKFAT*	SKIM**		MILKFAT*	SKIM**
	<u>BASIS</u>	<u>SOLIDS</u>		<u>BASIS</u>	<u>SOLIDS</u>
PERIOD OF NOVEMBER 22 - DECEMBER 1, 2000 =	35.3	183.4	COMPARABLE WEEK IN 1999 =	0.5	28.5
CUMULATIVE SINCE OCTOBER 1, 2000 =	76.1	1,005.2	CUMULATIVE SAME PERIOD LAST YEAR =	3.3	173.3
CUMULATIVE JANUARY 1 - DECEMBER 1, 2000 =	236.8	5,184.2	COMPARABLE CALENDAR YEAR 1999 =	44.2	2,337.9

* Factors used for Milkfat Solids Basis: Butter times 21.80; Cheese times 9.23; and Nonfat Dry Milk times 0.22

** Factors used for Skim Solids Basis: Butter times 0.12; Cheese times 9.90; and Nonfat Dry Milk times 11.64

CCC ADJUSTED PURCHASES FOR THE PERIOD OF NOVEMBER 22 - DECEMBER 1, 2000 (POUNDS)

	BUTTER			CHEESE			NONFAT DRY MILK		
REGION	BULK	PACKAGED	UNSALTED	BLOCK	BARREL	PROCESS	NONFORTIFIED	FORTIFIED	
MIDWEST	-0-	-0-	-0-	920,450	-0-	-0-	-0-	-0-	-0-
WEST	-0-	-0-	-0-	50,885	2,512,821	-0-	11,131,904	1,624,240	
EAST	-0-	-0-	-0-	-0-	-0-	39,600	-0-	-0-	

CCC ADJUSTED PURCHASES SINCE 10/1/00 AND SAME PERIOD LAST YEAR (POUNDS) AND MILK EQUIVALENT AS A PERCENT OF TOTAL

	BUTTER			CHEESE			NONFAT DRY MILK			MILK EQUIVALENT		
REGION	2000/01	1999/00	2000/01	1999/00	2000/01	1999/00	2000/01	1999/00	2000/01	1999/00		
MIDWEST	-0-	-0-	3,477,180	-0-	1,299,802	257,937	42.5	-0-	-0-	-0-		
WEST	-0-	-0-	2,797,644	-0-	79,689,996	14,632,017	57.0	100.0				
EAST	-0-	-0-	39,600	-0-	-0-	-0-	0.5	-0-				
TOTAL	-0-	-0-	6,314,424	-0-	80,989,798	14,889,954	100.0	100.0				

SUPPORT PURCHASE PRICES FOR DAIRY PRODUCTS PRODUCED ON OR AFTER JULY 31, 2000

MANUFACTURING MILK: Average Test 3.67% - \$9.90 per cwt.; 3.5% - \$9.80

DOLLARS PER POUND

BUTTER: Bulk \$.6680; 1# Prints \$.6980

CHEESE: 40 & 60# Blocks \$1.1220; 500# Barrels \$1.0920; Process American 5# \$1.1745; Process American 2# \$1.2145

NONFAT DRY MILK: Nonfortified \$1.0100; Fortified \$1.0200; Instant \$1.1675

Dairy & Total Cow Slaughter under Federal Inspection, by Regions & U.S., for Week Ending 11/11/00 & Comparable Week 1999

Regions*											1	2	3	4	5	6	7	8	9	10	:	U.S. TOTAL	:	% DAIRY OF ALL	
																						:	WEEK :SINCE JAN 1	:	WEEK : SINCE JAN 1
2000-Dairy cows	HD	(000)	:	0.2	0.8	6.5	5.0	22.6	3.0	2.9	0.7	13.4	2.6	57.7	2,301.4	48.9	48.6								
1999-Dairy cows	HD	(000)	:	0.2	1.0	7.1	6.3	21.5	2.4	2.9	0.6	11.1	2.8	55.8	2,260.3	43.9	45.8								
2000-All cows	HD	(000)	:	0.2	1.0	8.9	15.1	31.1	13.8	17.7	5.8	16.4	8.0	118.0	4,736.8										
1999-All cows	HD	(000)	:	0.2	1.2	9.9	15.6	29.6	19.8	21.8	4.4	15.2	9.4	127.2	4,932.0										

SOURCE: The slaughter data are gathered and tabulated in a cooperative effort by the Agricultural Marketing Service, The Food Safety and Inspection Service, and the National Agricultural Statistics Service, all of USDA.

BASIC FORMULA PRICE (BFP), (3.5% BF, \$/CWT. FOR COMPARISON PURPOSES ONLY)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1998	13.25	13.32	12.81	12.01	10.88	13.10	14.77	14.99	15.10	16.04	16.84	17.34
1999	16.27	10.27	11.62	11.81	11.26	11.42	13.59	15.79	16.26	11.49	9.79	9.63

FEDERAL MILK ORDER CLASS PRICES FOR 2000 (3.5% BF)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Class I 1/	10.90	10.71	10.84	10.93	11.48	11.70	12.46	11.95	11.84	11.89	11.82	12.13
Class II	11.43	11.51	11.71	12.10	12.63	13.08	12.58	12.56	12.58	12.54		
Class III	10.05	9.54	9.54	9.41	9.37	9.46	10.66	10.13	10.76	10.02		
Class IV	10.73	10.80	11.00	11.38	11.91	12.38	11.87	11.87	11.94	11.81		

1/ Specific order differentials to be added to this base price are located at: www.ams.usda.gov/dairy/fmor_announce.htm